

COLE SCHOTZ P.C.

Michael D. Sirota, Esq. (NJ Bar No. 014321986)
Warren A. Usatine, Esq. (NJ Bar No. 025881995)
Court Plaza North, 25 Main Street
Hackensack, New Jersey 07601
(201) 489-3000
msirota@coleschotz.com
wusatine@coleschotz.com

HAYNES AND BOONE, LLP

Richard S. Kanowitz, Esq. (NJ Bar No. 047911992)
Kenric D. Kattner, Esq. (admitted *pro hac vice*)
30 Rockefeller Plaza, 26th Floor
New York, New York 10112
(212) 659-7300
richard.kanowitz@haynesboone.com
kenric.kattner@haynesboone.com

KIRKLAND & ELLIS LLP

KIRKLAND & ELLIS INTERNATIONAL LLP

Joshua A. Sussberg, P.C. (admitted *pro hac vice*)
Christine A. Okike, P.C. (admitted *pro hac vice*)
601 Lexington Avenue
New York, New York 10022
(212) 446-4800
jsussberg@kirkland.com
christine.okike@kirkland.com

Attorneys for Debtors and Debtors in Possession

Attorneys for Debtors and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

In re:

BLOCKFI INC., *et al.*,
Debtors¹

Chapter 11

Case No. 22-19361 (MBK)

Jointly Administered

**NOTICE OF DEBTORS' FIFTH OMNIBUS REJECTION OF
EXECUTORY CONTRACTS AND LEASES**

TO: The Parties Identified on Schedule 1 Attached Hereto:

PLEASE TAKE NOTICE that on January 17, 2023, the United States Bankruptcy Court for the District of New Jersey (the "Bankruptcy Court") entered an order [Docket No. 302] (the "Rejection Procedures Order") granting the *Debtors' Motion for Entry of an Order Authorizing and Approving Procedures for Rejection of Executory Contracts and Unexpired Leases* [Docket

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor's federal tax identification number, are: BlockFi Inc. (0015); BlockFi Trading LLC (2487); BlockFi Lending LLC (5017); BlockFi Wallet LLC (3231); BlockFi Ventures LLC (9937); BlockFi International Ltd. (N/A); BlockFi Investment Products LLC (2422); BlockFi Services, Inc. (5965) and BlockFi Lending II LLC (0154). The location of the Debtors' service address is 100 Horizon Center Blvd., 1st and 2nd Floors, Hamilton, NJ 08691.

No. 122] (the “Motion”), approving certain procedures for the rejection of executory contracts and unexpired leases of the Debtors.

PLEASE TAKE FURTHER NOTICE that, pursuant to the terms of the Rejection Procedures Order, the above-captioned debtors and debtors in possession (collectively, the “Debtors”) hereby provide notice of their intent to reject the Contracts and/or Leases identified on Schedule 1 hereto (the “Contracts and Leases”) pursuant to the terms of the Rejection Procedures Order and the *Proposed Order Approving the Rejection of Contracts and Leases* attached hereto as **Exhibit A**.

PLEASE TAKE FURTHER NOTICE that should you object to the Debtors’ rejection of a Contract or Lease identified on Schedule 1 hereto, you must file and serve a written objection on: (1) attorneys for the Debtors, Cole Schotz P.C., Court Plaza North, 25 Main Street, Hackensack, New Jersey 07602, Attn: Michael D. Sirota, Esq., msirota@coleschotz.com, Warren A. Usatine, Esq., wusatine@coleschotz.com, and Haynes and Boone, LLP, 30 Rockefeller Plaza, 26th Floor, New York, NY 10112 Attn: Richard Kanowitz, Esq., richard.kanowitz@haynesboone.com, Lauren Sisson, Esq., lauren.sisson@haynesboone.com, and Haynes and Boone, LLP, 2323 Victory Avenue, Suite 700, Dallas, Texas 75219, Attn: Jordan Chavez, Esq., jordan.chavez@haynesboone.com, Kirkland & Ellis LLP, 601 Lexington Avenue, New York, New York 10022 Attn: Joshua Sussberg, Esq., jsussberg@kirkland.com and Christine Okike, Esq., christine.okike@kirkland.com; (2) Office of the United States Trustee, One Newark Center, 1085 Raymond Boulevard, Suite 2100, Newark, New Jersey 07102, Attn: Lauren Bielskie, lauren.bielskie@usdoj.gov and Jeffrey M. Sponder, Jeffrey.m.sponder@usdoj.gov, and (3) counsel to the Committee, Brown Rudnick, LLP, Seven Times Square, New York, NY 10036, Attn: Robert J. Stark, rstark@brownrudnick.com; Kenneth J. Aulet, kaulet@brownrudnick.com;

Bennett S. Silverberg, bsilverberg@brownrudnick.com; and Stephen D. Palley, spalley@brownrudnick.com (collectively, the “Objection Notice Parties”), so that such objection is filed with the Bankruptcy Court and received by the Objection Notice Parties no later than September 8, 2023, which is fourteen (14) days after the date that the Debtors filed and served this Rejection Notice.

PLEASE TAKE FURTHER NOTICE that absent an objection being filed and served in compliance with the Rejection Procedures Order, the Rejected Contracts and Leases will be rejected pursuant to Section 365(a) of the Bankruptcy Code effective as of the date set forth on Schedule 1 to this Rejection Notice (the “Rejection Date”) or, if no such date is set forth therein, the Rejection Date shall be the later of (i) the date of this Rejection Notice and (ii) the date of surrender of the leased property.

PLEASE TAKE FURTHER NOTICE that if an objection is timely filed and served on the Objection Notice Parties as specified above, and cannot be resolved, the Debtors shall seek a hearing on such objection and shall provide at least seven (7) days’ notice of such hearing to the objecting party and the Objection Notice Parties. If such objection is overruled by the Bankruptcy Court or withdrawn, the rejection of the Rejected Contracts and Leases shall be deemed as effective the rejection shall be deemed effective (a) as of the Rejection Date, or (b) as otherwise determined by the Bankruptcy Court as set forth in any order overruling such objection.

PLEASE TAKE FURTHER NOTICE that pursuant to the terms of the Rejection Procedures Order, if the Debtors have deposited monies with you as a security deposit or other arrangement, you may not setoff, recoup, or otherwise use such deposit without prior authorization from the Bankruptcy Court.

PLEASE TAKE FURTHER NOTICE that pursuant to the terms of the Rejection

Procedures Order, for any claim that you may assert against the Debtors as a result of the rejection of any Rejected Contract or Lease, you must submit a proof of claim for damages arising from such rejection on or before the later of (i) the deadline for filing proofs of claim established by the Bankruptcy Court in the Debtors' Chapter 11 Cases, or (ii) thirty (30) days after the date of entry of the Order Approving the Debtors' Fifth Omnibus Rejection of Executory Contracts and Leases. If you do not timely file such proof of claim, you will not be treated as a creditor with respect to such claim in the Debtors' Chapter 11 Cases and shall be forever barred from asserting a claim for rejection damages arising from the rejection of the Rejected Contract and Leases or from participating in any distributions that may be made in connection with these Chapter 11 Cases.

Respectfully submitted,

Dated: August 25, 2023

/s/ Michael D. Sirota

COLE SCHOTZ P.C.

Michael D. Sirota, Esq. (NJ Bar No. 014321986)
Warren A. Usatine, Esq. (NJ Bar No. 025881995)
Court Plaza North, 25 Main Street
Hackensack, New Jersey 07601
(201) 489-3000
msirota@coleschotz.com
wusatine@coleschotz.com

KIRKLAND & ELLIS LLP

KIRKLAND & ELLIS INTERNATIONAL LLP

Joshua A. Sussberg, P.C. (admitted *pro hac vice*)
Christine A. Okike, P.C. (admitted *pro hac vice*)
601 Lexington Avenue
New York, New York 10022
(212) 446-4800
jsussberg@kirkland.com
christine.okike@kirkland.com

HAYNES AND BOONE, LLP

Richard S. Kanowitz, Esq. (NJ Bar No. 047911992)
Kenric D. Kattner, Esq. (admitted *pro hac vice*)
30 Rockefeller Plaza, 26th Floor
New York, New York 10112
(212) 659-7300
richard.kanowitz@haynesboone.com
kenric.kattner@haynesboone.com

SCHEDULE 1

SCHEDULE 1

CONTRACTS AND LEASES TO BE REJECTED			
Counterparty	Counterparty Address and Email	Title/Description of Lease/Contract¹	Rejection Date
Paperless Inc. d/b/a Paperless Post	Paperless Inc. Attn: Meg Hirschfeld, CAO 115 Broadway, 12th Floor, New York, New York 10006 Email: meg@paperlesspost.com AND jgiampolo@rosenbergestis.com	Sublease Agreement (see property to be abandoned below)	8/30/2023
Cogent Communications, Inc.	Cogent Communications, Inc. 2450 N Street, NW Washington, DC 20037 Email: terms@cogentco.com	Customer Subscriber Agreement and Order Form	8/25/2023
Crown Castle Fiber LLC	Crown Castle Attn: Legal Department - Networks 2000 Corporate Drive Canonsburg, PA 15317 Email: Adriana.Campbell@crowncastle.com	Master Telecommunications License Agreement, Telecommunications License Terms and Conditions, and Order Form	8/25/2023
Kisi, Inc.	Kisi, Inc. 45 Main Street Brooklyn, NY 11201 Email: support@getkisi.com AND legal@getkisi.com	End User Agreement and Kisi Organizations Monthly User License	8/25/2023
Rhombus Systems, Inc.	Rhombus Systems, Inc. 1919 19 th Street Sacramento, CA 95811 Email: markr@rhombus.com	Terms and Conditions, any and all agreements	8/25/2023
Quench USA, Inc.	Quench USA, Inc. 630 Allendale Rd., Suite 200 King of Prussia, PA 19406 Email: asuper@quenchwater.com	Agreement and Order Form	8/25/2023

¹ The inclusion of a Contract on this list does not constitute an admission as to the executory or non-executory nature of the Contract, or as to the existence or validity of any claims held by the counterparty or counterparties to such Contract.

Iron Mountain	Iron Mountain 1 Federal Street Boston, MA 02110	Contracts for shredding services and all related agreements	8/25/2023
----------------------	---	---	-----------

PROPERTY TO BE ABANDONED		
Counterparty	Counterparty Address and Email	Location and Description of Property
Paperless Inc.	Paperless Inc. Attn: Meg Hirschfeld, CAO 115 Broadway, 12th Floor, New York, New York 10006 Email: meg@paperlesspost.com AND jgiampolo@rosenbergstis.com	Networking equipment, 2 printers, Bluetooth door lock system, security cameras, televisions and video conference set ups at 115 Broadway, 11th Floor, New York, New York, 10006. ²

² Paperless has consented in writing to allow BlockFi to leave these items behind in the leased space.

EXHIBIT A TO DEBTORS' FIFTH OMNIBUS REJECTION NOTICE

Proposed Rejection Order

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

**Caption in Compliance with D.N.J. LBR 9004-1(b)
COLE SCHOTZ P.C.**

Michael D. Sirota, Esq. (NJ Bar No. 014321986)
Warren A. Usatine, Esq. (NJ Bar No. 025881995)
Court Plaza North, 25 Main Street
Hackensack, New Jersey 07601
(201) 489-3000
msirota@coleschotz.com
wusatine@coleschotz.com

**KIRKLAND & ELLIS LLP
KIRKLAND & ELLIS INTERNATIONAL LLP**

Joshua A. Sussberg, P.C. (admitted *pro hac vice*)
Christine A. Okike, P.C. (admitted *pro hac vice*)
601 Lexington Avenue
New York, New York 10022
(212) 446-4800
jsussberg@kirkland.com
christine.okike@kirkland.com

HAYNES AND BOONE, LLP

Richard S. Kanowitz, Esq. (NJ Bar No. 047911992)
Kenric D. Kattner, Esq. (admitted *pro hac vice*)
30 Rockefeller Plaza, 26th Floor
New York, New York 10112
(212) 659-7300
richard.kanowitz@haynesboone.com
kenric.kattner@haynesboone.com

Attorneys for Debtors and Debtors in Possession

In re:

BLOCKFI INC., *et al.*,

Debtors¹

Chapter 11
Case No. 22-19361 (MBK)
Jointly Administered

**ORDER APPROVING THE DEBTORS' FIFTH OMNIBUS REJECTION OF
EXECUTORY CONTRACTS AND LEASES**

The relief set forth on the following pages, numbered two (2) through three (3) and Schedule 1, is hereby **ORDERED**.

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor's federal tax identification number, are: BlockFi Inc. (0015); BlockFi Trading LLC (2487); BlockFi Lending LLC (5017); BlockFi Wallet LLC (3231); BlockFi Ventures LLC (9937); BlockFi International Ltd. (N/A); BlockFi Investment Products LLC (2422); BlockFi Services, Inc. (5965) and BlockFi Lending II LLC (0154). The location of the Debtors' service address is 100 Horizon Center Blvd., 1st and 2nd Floors, Hamilton, NJ 08691.

(Page 2)

Debtors: BlockFi Inc.

Case No. 22-19361(MBK)

Caption of Order: ORDER APPROVING DEBTORS' FIFTH OMNIBUS
REJECTION OF EXECUTORY CONTRACTS AND LEASES

Pursuant to and in accordance with the *Order Authorizing and Approving Procedures for Rejection of Executory Contracts and Unexpired Leases* [Docket No. 302] (the “Rejection Procedures Order”);¹ and the Court having jurisdiction over this matter pursuant to 28 U.S.C. § 157 and 1334; and it appearing that this matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and it appearing that venue of these cases and this matter is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Debtors having properly filed and served a “Notice of Fifth Omnibus Rejection of Executory Contracts and/or Unexpired Leases” [Docket No. ____] (the “Rejection Notice”) in accordance with the terms of the Rejection Procedures Order in respect of the rejection of the executory contracts (the “Contracts”) and/or unexpired leases (the “Leases”) set forth on Schedule 1 hereto; and no timely objections having been filed to the rejection of the Contracts and Leases; and it appearing that due and adequate notice of the Rejection Procedures Order and the Rejection Notice has been given, and that no other or further notice need be given; and the Court having determined that the rejections provided for herein are an appropriate exercise of the Debtors’ business judgment; and after due deliberation, and good and sufficient cause appearing therefor, it is hereby **ORDERED**:

1. Contracts and Leases listed on **SCHEDULE 1** hereto are hereby rejected effective as of the dates set forth for such Contracts and Leases listed on **SCHEDULE 1** hereto (the “Rejection Date”).

2. The rights of the Debtors and their estates to assert that the Contracts and Leases are rejected hereby expired by their own terms or were terminated prior to the date hereof and fully

¹ Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Rejection Procedures Order.

(Page 3)

Debtors: BlockFi Inc.

Case No. 22-19361(MBK)

Caption of Order: ORDER APPROVING DEBTORS' FIFTH OMNIBUS
REJECTION OF EXECUTORY CONTRACTS AND LEASES

preserved, and the Debtors and their estates do not waive any rights or claims that they may have with respect or against the counterparties to such Contracts and Leases, whether or not such rights or claims arise under, are related to the rejection of, or are independent of the Contracts and Leases rejected hereby.

3. If any affected counterparty subject to this Order (a "Rejection Claimant") asserts a claim or claims against the Debtors and their estates arising from the rejection of the Contracts and Leases, such Rejection Claimant shall submit a proof of claim on or before the later of (i) the deadline for filing proofs of claims established by the Court in these Chapter 11 Cases or (ii) thirty (30) days after the date of entry of this Order. If no proof of claim is timely filed, such claimant shall not be treated as a creditor with respect to such claims for voting on any Chapter 11 plan in these Chapter 11 Cases and shall be forever barred from asserting a claim for rejection damages and from participating in any distribution that may be made in connection with the Debtors' bankruptcy cases.

4. For the avoidance of doubt, the Debtors reserve all rights to contest the validity of any claim(s) filed by the Rejection Claimant and file objections with respect to such claim(s).

5. The Debtors are authorized to take any action necessary or appropriate to implement the terms of this Order and the rejections without further order from this Court.

6. This Court shall retain exclusive jurisdiction and power to resolve any dispute arising from or related to this Order.

SCHEDULE 1

SCHEDULE 1

CONTRACTS AND LEASES TO BE REJECTED			
Counterparty	Counterparty Address and Email	Title/Description of Lease/Contract¹	Rejection Date
Paperless Inc. d/b/a Paperless Post	Paperless Inc. Attn: Meg Hirschfeld, CAO 115 Broadway, 12th Floor, New York, New York 10006 Email: meg@paperlesspost.com AND jgiampolo@rosenbergestis.com	Sublease Agreement (see property to be abandoned below)	8/30/2023
Cogent Communications, Inc.	Cogent Communications, Inc. 2450 N Street, NW Washington, DC 20037 Email: terms@cogentco.com	Customer Subscriber Agreement and Order Form	8/25/2023
Crown Castle Fiber LLC	Crown Castle Attn: Legal Department - Networks 2000 Corporate Drive Canonsburg, PA 15317 Email: Adriana.Campbell@crowncastle.com	Master Telecommunications License Agreement, Telecommunications License Terms and Conditions, and Order Form	8/25/2023
Kisi, Inc.	Kisi, Inc. 45 Main Street Brooklyn, NY 11201 Email: support@getkisi.com AND legal@getkisi.com	End User Agreement and Kisi Organizations Monthly User License	8/25/2023
Rhombus Systems, Inc.	Rhombus Systems, Inc. 1919 19 th Street Sacramento, CA 95811 Email: markr@rhombus.com	Terms and Conditions, any and all agreements	8/25/2023
Quench USA, Inc.	Quench USA, Inc. 630 Allendale Rd., Suite 200 King of Prussia, PA 19406 Email: asuper@quenchwater.com	Agreement and Order Form	8/25/2023

¹ The inclusion of a Contract on this list does not constitute an admission as to the executory or non-executory nature of the Contract, or as to the existence or validity of any claims held by the counterparty or counterparties to such Contract.

Iron Mountain	Iron Mountain 1 Federal Street Boston, MA 02110	Contracts for shredding services and all related agreements	8/25/2023
----------------------	---	---	-----------

PROPERTY TO BE ABANDONED		
Counterparty	Counterparty Address and Email	Location and Description of Property
Paperless Inc.	Paperless Inc. Attn: Meg Hirschfeld, CAO 115 Broadway, 12th Floor, New York, New York 10006 Email: meg@paperlesspost.com AND jgiampolo@rosenbergstis.com	Networking equipment, 2 printers, Bluetooth door lock system, security cameras, televisions and video conference set ups at 115 Broadway, 11th Floor, New York, New York, 10006. ²

² Paperless has consented in writing to allow BlockFi to leave these items behind in the leased space.